

111TH CONGRESS  
1ST SESSION

# H. R. 1845

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## AN ACT

To amend the Small Business Act to modernize Small  
Business Development Centers, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2       This Act may be cited as the “Small Business Devel-  
3 opment Centers Modernization Act of 2009”.

4 **SEC. 2. SMALL BUSINESS DEVELOPMENT CENTERS OPER-**  
5 **ATIONAL CHANGES.**

6       (a) **ACCREDITATION REQUIREMENT.**—Section  
7 21(a)(1) of the Small Business Act (15 U.S.C. 648(a)(1))  
8 is amended as follows:

9           (1) In the proviso, by inserting before “institu-  
10 tion” the following: “accredited”.

11           (2) In the sentence beginning “The Administra-  
12 tion shall”, by inserting before “institutions” the fol-  
13 lowing: “accredited”.

14           (3) By adding at the end the following new sen-  
15 tence: “In this paragraph, the term ‘accredited insti-  
16 tution of higher education’ means an institution that  
17 is accredited as described in section 101(a)(5) of the  
18 Higher Education Act of 1965 (20 U.S.C.  
19 1001(a)(5)).”.

20       (b) **PROGRAM NEGOTIATIONS.**—Section 21(a)(3) of  
21 the Small Business Act (15 U.S.C. 648(a)(3)) is amended  
22 in the matter preceding subparagraph (A), by inserting  
23 before “agreed” the following: “mutually”.

24       (c) **CONTRACT NEGOTIATIONS.**—Section 21(a)(3)(A)  
25 of the Small Business Act (15 U.S.C. 648(a)(3)(A)) is

1 amended by inserting after “uniform negotiated” the fol-  
 2 lowing: “mutually agreed to”.

3 (d) SBDC HIRING.—Section 21(c)(2)(A) of the  
 4 Small Business Act (15 U.S.C. 648(c)(2)(A)) is amended  
 5 by inserting after “full-time staff” the following: “, the  
 6 hiring of which shall be at the sole discretion of the center  
 7 without the need for input or approval from any officer  
 8 or employee of the Administration”.

9 (e) CONTENT OF CONSULTATIONS.—Section  
 10 21(a)(7)(A) of the Small Business Act (15 U.S.C.  
 11 648(a)(7)(A)) is amended in the matter preceding clause  
 12 (i) by inserting after “under this section” the following:  
 13 “, or the content of any consultation with such an indi-  
 14 vidual or small business concern,”.

15 (f) AMOUNTS FOR ADMINISTRATIVE EXPENSES.—  
 16 Section 21(a)(4)(C)(v)(I) of the Small Business Act (15  
 17 U.S.C. 648(a)(4)(C)(v)(I)) is amended to read as follows:

18 “(I) IN GENERAL.—Of the amounts  
 19 made available in any fiscal year to carry  
 20 out this section, not more than \$500,000  
 21 may be used by the Administration to pay  
 22 expenses enumerated in subparagraphs (B)  
 23 through (D) of section 20(a)(1).”.

24 (g) NON-MATCHING PORTABILITY GRANTS.—Section  
 25 21(a)(4)(C)(viii) of the Small Business Act (15 U.S.C.

1 648(a)(4)(C)(viii)) is amended by adding at the end the  
2 following: “In the event of a disaster, the dollar limitation  
3 in the preceding sentence shall not apply.”.

4 (h) DISTRIBUTION TO SBDCs.—Section 21(b) of the  
5 Small Business Act (15 U.S.C. 648(b)) is amended by  
6 adding at the end the following new paragraph:

7 “(4) LIMITATION ON DISTRIBUTION TO SMALL BUSI-  
8 NESS DEVELOPMENT CENTERS.—

9 “(A) IN GENERAL.—Except as otherwise pro-  
10 vided in this paragraph, the Administration shall not  
11 distribute funds to a Small Business Development  
12 Center if the State in which the Small Business De-  
13 velopment Center is located is served by more than  
14 one Small Business Development Center.

15 “(B) UNAVAILABILITY EXCEPTION.—The Ad-  
16 ministration may distribute funds to a maximum of  
17 two Small Business Development Centers in any  
18 State if no applicant has applied to serve the entire  
19 State.

20 “(C) GRANDFATHER CLAUSE.—The limitations  
21 in this paragraph shall not apply to any State in  
22 which more than one Small Business Development  
23 Center received funding prior to January 1, 2007.

24 “(D) DEFINITION.—For the purposes of this  
25 paragraph, the term ‘Small Business Development

1 Center’ means the entity selected by the Administra-  
2 tion to receive funds pursuant to the funding for-  
3 mula set forth in subsection (a)(4), without regard  
4 to the number of sites for service delivery such enti-  
5 ty establishes or funds.”.

6 (i) WOMEN’S BUSINESS CENTERS.—Section 21(a)(1)  
7 of the Small Business Act (15 U.S.C. 648(a)(1)), as  
8 amended, is further amended—

9 (1) by striking “and women’s business centers  
10 operating pursuant to section 29”; and

11 (2) by striking “or a women’s business center  
12 operating pursuant to section 29”.

13 **SEC. 3. ACCESS TO CREDIT AND CAPITAL.**

14 Section 21 of the Small Business Act (15 U.S.C. 648)  
15 is amended by adding at the end the following new sub-  
16 section:

17 “(o) ACCESS TO CREDIT AND CAPITAL PROGRAM.—

18 “(1) IN GENERAL.—The Administration shall  
19 establish a grant program for small business devel-  
20 opment centers in accordance with this subsection.  
21 To be eligible for the program, a small business de-  
22 velopment center must be in good standing and com-  
23 ply with the other requirements of this section.  
24 Funds made available through the program shall be  
25 used to—

1           “(A) develop specialized programs to assist  
2           local small business concerns in securing capital  
3           and repairing damaged credit;

4           “(B) provide informational seminars on se-  
5           curing credit and loans;

6           “(C) provide one-on-one counseling with  
7           potential borrowers to improve financial presen-  
8           tations to lenders; and

9           “(D) facilitate borrowers’ access to non-  
10          traditional financing sources, as well as tradi-  
11          tional lending sources.

12          “(2) AWARD SIZE LIMIT.—The Administration  
13          may not award an entity more than \$300,000 in  
14          grant funds under this subsection.

15          “(3) AUTHORITY.—Subject to amounts ap-  
16          proved in advance in appropriations Acts and sepa-  
17          rate from amounts approved to carry out the pro-  
18          gram established in subsection (a)(1), the Adminis-  
19          tration may make grants or enter into cooperative  
20          agreements to carry out this subsection.

21          “(4) AUTHORIZATION.—There is authorized to  
22          be appropriated not more than \$2,500,000 for the  
23          purposes of carrying out this subsection for each of  
24          the fiscal years 2010 and 2011.”.

1 **SEC. 4. PROCUREMENT TRAINING AND ASSISTANCE.**

2 Section 21 of the Small Business Act (15 U.S.C.  
3 648), as amended, is further amended by adding at the  
4 end the following new subsection:

5 “(p) PROCUREMENT TRAINING AND ASSISTANCE.—

6 “(1) IN GENERAL.—The Administration shall  
7 establish a grant program for small business devel-  
8 opment centers in accordance with this subsection.  
9 To be eligible for the program, a small business de-  
10 velopment center must be in good standing and com-  
11 ply with the other requirements of this section.  
12 Funds made available through the program shall be  
13 used to—

14 “(A) work with local agencies to identify  
15 contracts that are suitable for local small busi-  
16 ness concerns;

17 “(B) prepare small businesses to be ready  
18 as subcontractors and prime contractors for  
19 contracts made available under the American  
20 Recovery and Reinvestment Act of 2009 (Public  
21 Law 111–5) through training and business ad-  
22 visement, particularly in the construction  
23 trades; and

24 “(C) provide technical assistance regarding  
25 the Federal procurement process, including as-

1           sisting small business concerns to comply with  
2           federal regulations and bonding requirements.

3           “(2) AWARD SIZE LIMIT.—The Administration  
4           may not award an entity more than \$300,000 in  
5           grant funds under this subsection.

6           “(3) AUTHORITY.—Subject to amounts ap-  
7           proved in advance in appropriations Acts and sepa-  
8           rate from amounts approved to carry out the pro-  
9           gram established in subsection (a)(1), the Adminis-  
10          tration may make grants or enter into cooperative  
11          agreements to carry out this subsection.

12          “(4) AUTHORIZATION OF APPROPRIATIONS.—  
13          There is authorized to be appropriated not more  
14          than \$2,500,000 for the purposes of carrying out  
15          this subsection for each of the fiscal years 2010 and  
16          2011.”.

17 **SEC. 5. GREEN ENTREPRENEURS TRAINING PROGRAM.**

18          Section 21 of the Small Business Act (15 U.S.C.  
19          648), as amended, is further amended by adding at the  
20          end the following new subsection:

21          “(q) GREEN ENTREPRENEURS TRAINING PRO-  
22          GRAM.—

23                 “(1) IN GENERAL.—The Administration shall  
24                 establish a grant program for small business devel-  
25                 opment centers in accordance with this subsection.



1       To be eligible for the program, a small business de-  
2       velopment center must be in good standing and com-  
3       ply with the other requirements of this section.  
4       Funds made available through the program shall be  
5       used to—

6               “(A) provide education classes and one-on-  
7       one instruction in starting a business in the  
8       fields of energy efficiency, green technology, or  
9       clean technology and in adapting a business to  
10      include such fields;

11              “(B) coordinate such classes and instruc-  
12      tion, to the extent practicable, with local com-  
13      munity colleges and local professional trade as-  
14      sociations;

15              “(C) assist and provide technical coun-  
16      seling to individuals seeking to start a business  
17      in the fields of energy efficiency, green tech-  
18      nology, or clean technology and to individuals  
19      seeking to adapt a business to include such  
20      fields; and

21              “(D) provide services that assist low-in-  
22      come or dislocated workers to start businesses  
23      in the fields of energy efficiency, green tech-  
24      nology, or clean technology.

1           “(2) AWARD SIZE LIMIT.—The Administration  
2           may not award an entity more than \$300,000 in  
3           grant funds under this subsection.

4           “(3) AUTHORITY.—Subject to amounts ap-  
5           proved in advance in appropriations Acts and sepa-  
6           rate from amounts approved to carry out the pro-  
7           gram established in subsection (a)(1), the Adminis-  
8           tration may make grants or enter into cooperative  
9           agreements to carry out this subsection.

10          “(4) AUTHORIZATION OF APPROPRIATIONS.—  
11          There is authorized to be appropriated not more  
12          than \$2,500,000 for the purposes of carrying out  
13          this subsection for each of the fiscal years 2010 and  
14          2011.”.

15 **SEC. 6. MAIN STREET STABILIZATION.**

16          Section 21 of the Small Business Act (15 U.S.C.  
17          648), as amended, is further amended by adding the fol-  
18          lowing new subsection at the end thereof:

19          “(r) MAIN STREET STABILIZATION.—

20                 “(1) IN GENERAL.—The Administration shall  
21                 establish a grant program for small business devel-  
22                 opment centers in accordance with this subsection.  
23                 To be eligible for the program, a small business de-  
24                 velopment center must be in good standing and com-  
25                 ply with the other requirements of this section.

1 Funds made available through the program shall be  
2 used to—

3 “(A) establish a statewide small business  
4 helpline within every State and United States  
5 territory to provide immediate expert informa-  
6 tion and assistance to small business concerns;

7 “(B) develop a portfolio of online survival  
8 and growth tools and resources that struggling  
9 small business concerns can utilize through the  
10 Internet;

11 “(C) develop business advisory capacity to  
12 provide expert consulting and education to as-  
13 sist small businesses at-risk of failure and to, in  
14 areas of high demand, shorten the response  
15 time of small business development centers,  
16 and, in rural areas, support added outreach in  
17 remote communities;

18 “(D) deploy additional resources to help  
19 specific industry sectors with a high presence of  
20 small business concerns, which shall be targeted  
21 toward clusters of small businesses with similar  
22 needs and build upon best practices from earlier  
23 assistance;

24 “(E) develop a formal listing of financing  
25 options for small business capital access; and

1           “(F) deliver services that help dislocated  
2           workers start new businesses.

3           “(2) AWARD SIZE LIMIT.—The Administration  
4           may not award an entity more than \$250,000 in  
5           grant funds under this subsection.

6           “(3) AUTHORITY.—Subject to amounts ap-  
7           proved in advance in appropriations Acts and sepa-  
8           rate from amounts approved to carry out the pro-  
9           gram established in subsection (a)(1), the Adminis-  
10          tration may make grants or enter into cooperative  
11          agreements to carry out this subsection.

12          “(4) AUTHORIZATION.—There is authorized to  
13          be appropriated not more than \$2,500,000 for the  
14          purposes of carrying out this subsection for each of  
15          the fiscal years 2010 and 2011.”.

16 **SEC. 7. PROHIBITION ON PROGRAM INCOME BEING USED**  
17 **AS MATCHING FUNDS.**

18          Section 21(a)(4)(B) (15 U.S.C. 648(a)(4)(B)) is  
19          amended by inserting after “Federal program” the fol-  
20          lowing: “and shall not include any funds obtained through  
21          the assessment of fees to small business clients”.

22 **SEC. 8. AUTHORIZATION OF APPROPRIATIONS.**

23          Section 20 of the Small Business Act (15 U.S.C. 631  
24          note) is amended by inserting after subsection (e) the fol-  
25          lowing new subsection:

1       “(f) SMALL BUSINESS DEVELOPMENT CENTERS.—  
 2 There is authorized to be appropriated to carry out the  
 3 Small Business Development Center Program under sec-  
 4 tion 21 \$150,000,000 for fiscal year 2010 and  
 5 \$160,000,000 for fiscal year 2011.”.

6 **SEC. 9. SMALL MANUFACTURERS TRANSITION ASSISTANCE**  
 7 **PROGRAM.**

8       Section 21 of the Small Business Act (15 U.S.C.  
 9 648), as amended, is further amended by adding at the  
 10 end the following new subsection:

11       “(s) SMALL MANUFACTURERS TRANSITION ASSIST-  
 12 ANCE PROGRAM.—

13               “(1) IN GENERAL.—The Administration shall  
 14 establish a grant program for small business devel-  
 15 opment centers in accordance with this subsection.  
 16 To be eligible for the program, a small business de-  
 17 velopment center must be in good standing and com-  
 18 ply with the other requirements of this section.  
 19 Funds made available through the program shall be  
 20 used to—

21               “(A) provide technical assistance and ex-  
 22 pertise to small manufacturers with respect to  
 23 changing operations to another industry sector  
 24 or reorganizing operations to increase efficiency  
 25 and profitability;

1           “(B) assist marketing of the capabilities of  
2           small manufacturers outside the principal area  
3           of operations of such manufacturers;

4           “(C) facilitate peer-to-peer and mentor-  
5           protege relationships between small manufac-  
6           turers and corporations and Federal agencies;  
7           and

8           “(D) conduct outreach activities to local  
9           small manufacturers with respect to the avail-  
10          ability of the services described in subpara-  
11          graphs (A), (B), and (C).

12          “(2) DEFINITION OF SMALL MANUFACTURER.—  
13          In this subsection, the term ‘small manufacturer’  
14          means a small business concern engaged in an in-  
15          dustry specified in sector 31, 32, or 33 of the North  
16          American Industry Classification System in section  
17          121.201 of title 13, Code of Federal Regulations.

18          “(3) AWARD SIZE LIMIT.—The Administration  
19          may not award an entity more than \$250,000 in  
20          grant funds under this subsection.

21          “(4) AUTHORITY.—Subject to amounts ap-  
22          proved in advance in appropriations Acts and sepa-  
23          rate from amounts approved to carry out the pro-  
24          gram established in subsection (a)(1), the Adminis-

1       tration may make grants or enter into cooperative  
2       agreements to carry out this subsection.

3               “(5) AUTHORIZATION.—There is authorized to  
4       be appropriated not more than \$2,500,000 for the  
5       purposes of carrying out this subsection for each of  
6       the fiscal years 2010 and 2011.”.

      Passed the House of Representatives November 7,  
2009.

Attest:

*Clerk.*

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1ST SESSION

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